City of Lafayette Staff Report

To: City Council

From: John M Luttropp, Associate Engineer

Date Written: March 12, 2009

Meeting Date: March 23, 2009

Subject: Mount Diablo Multi-Purpose Pathway Project
Award of Contract for Project Number 014-9676

Introduction

The East Bay Municipal Utility District (EBMUD) agreed to fund, up to $350,000, the design and construction of a new multi-purpose pathway along the south side of Mount Diablo Boulevard from Village Center to the Reservoir entrance in conjunction with its project to upgrade infrastructure in the vicinity of the Lafayette treatment plant. The City Council allocated an additional $20,000 from the general fund to fully fund the anticipated construction costs. Staff is now seeking City Council action to award the construction contract to the lowest bidder, in the amount of $198,894.00.

Discussion

The City received twenty three bids for this project. Similar projects let out to bid last year had 5 bidders. The low bid is $198,894, 33.7% lower than the engineer's estimate, and within 1% of the next lowest bidder. Twenty two of the twenty three bidders were lower than the engineer's estimate. The dramatically lower prices and volume of bids are a reflection of the current economic environment and significantly lower commodity prices compared to last year. The lowest five bids and the highest bid are listed below:

Contractor	Bid
1. HSR	$198,894.00
2. Grade Tech	$199,670.50
3. Joseph J. Albanese, Inc	$206,648.50
4. Vaca Valley Excavating	$216,657.00
5. Bay Cities Paving and Grading	$218,713.40
Engineer's Estimate	**$300,000.00**
23. Star Construction, Inc.	$346,998.80

Budget Status

EBMUD Funding	$	350,000
2008/2009 General Fund Allocation	$	20,000
Design	< $	52,000 >
Bidding	< $	1,000 >
Funds Available for Construction	$	317,000
Low Bid	< $	199,000 >
Construction Contingency (10%)	< $	20,000 >
Construction Surveying and Testing	< $	5,500 >
Construction Inspection and Administration	< $	40,000 >
Projected Surplus	$	52,500

Given the projected surplus, the $20,000 in General Fund Allocation will not be required. Any unused portion of the EBMUD funding will revert back to EBMUD. With that in mind, staff is currently in discussion with the District regarding the possibility to extend the scope and project limits to take advantage of the low bid prices to accommodate additional improvements that may be mutually beneficial to the District and the public. Staff will report on this outcome on a future consent calendar.

Bid Protest:

Grade Tech, Inc filed a notice of protest, see attached fax, for the award of the Mount Diablo Multi-Purpose project to HSR. Claiming that "they did not list an electrical subcontractor and the work exceeds ½ of his work and he is not licensed to do electrical work." Staff in conjunction with the City Attorney has sent a response to Grade Tech, Inc. stating that HSR did in fact meet the subcontractor listing requirements (Please see attached letter), and as such staff recommends that the City Council reject the bid protest.

Fiscal Impact:

The low bid is within the project budget, and no additional fund allocation is needed.

Recommendation:

1. Reject the bid protest made by Grade Tech, Inc

2. Adopt the project plans, specifications, and project details to conform to the Uniform Construction Accounting Act.

3. Award Mount Diablo Multi-Purpose Pathway, Project Number 014-9676, construction contract to HSR in the amount of $198,894.00.

LAFAYETTE
SETTLED 1848 — INCORPORATED 1968

CITY COUNCIL

Don Tatzin, Mayor
Brandt Andersson, Vice Mayor
Mike Anderson, Council Member
Carl Anduri, Council Member
Carol Federighi, Council Member

March 12, 2009

Mr. Eric Remson
Grade Tech, Inc
P.O. Box 1728
San Ramon, CA 94583

Re: Notice of Protest for the Award of the Mount Diablo Multi-Purpose Pathway Project, Project Number 014-9676 to HSR.

Dear Mr. Remson:

The City received your notice of protest for the award of the Mount Diablo Multi-Purpose Pathway Project to HSR. In your fax you stated that the HSE did not list an electrical subcontractor for electrical work that exceeds ½ of 1% of the contract work.

Please see Section 2-13 "Listing of Proposed Subcontractors" of the City's General Provisions to the Standard Specifications where it states the following:

Each proposal shall have listed therein the name and address of each subcontractor to whom the bidder proposes to subcontract portions of the work in an amount in excess of one-half of one percent of the total bid or $10,000, whichever is greater. Subcontracting shall be in accordance with the Subletting and Subcontracting Fair Practices Act, commending with § 4100 of the Public Contract Code. The bidder's attention is directed to other provisions of the Act related to the imposition of penalties for a failure to observe its provisions by using unauthorized subcontractors or by making unauthorized substitutions.

Since the electrical work involved in this project does not exceed $10,000 HSR was not required to list an electrical subcontractor for this work. Staff will be recommending that the City Council reject the bid protest for failing to state valid grounds to cause rejection of the low bidder.

If you have any questions regarding this matter you may contact me at 925.299.3247, or email mluttropp@ci.lafayette.ca.us.

Sincerely,

John M Luttropp
Associate Engineer

Cc: Lafayette City Council, Lafayette City Attorney

3675 MT. DIABLO BLVD., SUITE 210, LAFAYETTE, CA 94549
TELEPHONE: (925) 284-1968 FAX: (925) 284-3169
http//:www.ci.lafayette.ca.us

FAX COVER SHEET

GradeTech, Inc.
P.O. BOX 1728 SAN RAMON, CA 94583
(510) 733-0390 OFFICE
(510) 733-0389 FAX

Attention: City Clerk	From: Eric Remson
Rep: City of Lafayette	Job Number:
Date: 3-10-09	Job Name: Mt Diablo Multi Purpose Path
Fax Number: 925-284-3169	Job Location: Lafayette

☐ **Urgent** ☐ **Reply ASAP** ☐ **Please comment** ☐ **Please review** ☐ **For your information**

Total pages, including cover: 1

Comments:

This is our Notice of Protest for the award of the Mt. Diablo Multi Purpose Project to HSR . They did not list an electrical subcontractor and the work exceeds ½ of his work and he is not licensed to do electrical work.

Sincerely,

ER

Eric Remson
Secretary/Treasurer